

**Impact of new scheme for kerosene**

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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government have launched a new scheme to check adulteration of kerosene oil in petrol and diesel;

(b) if so, the details thereof;

(c) the number of districts where this scheme has been implemented so far, State-wise;

(d) whether the adulteration of kerosene oil in diesel/petrol has been fully stopped in those districts where in this scheme has been implemented; and

(e) if not, the reasons therefor and the steps being taken by Government to fully stop adulteration in diesel/petrol?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) To check adulteration in auto fuels and diversion of PDS Kerosene our Government has asked Oil Marketing Companies (OMCs) to take various steps, including introduction of marker in kerosene. Public sector OMCs have commenced introduction of marker in kerosene on all india basis with effect from 1 10.2006. Under the system, marker is being put in kerosene in all supply location depots/terminals. The system heralds the introduction of a world-class technology to curb and eventually eliminate the menace of adulteration of transportation fuels also the supply chain. Through this measure, adulteration even with very small quantities of kerosene can be detected.

(d) and (e) Checking of adulteration is a continuous process and this Ministry has been reviewing steps taken to curb adulteration from time to time. The Government/Public Sector Oil Marketing Companies (OMCs) have taken the following steps to contain the menace of adulteration:—

(i) Under the Control Orders issued by the Government to prevent fuel adulteration, under the Essential Commodities Act, 1955,

State Governments are empowered to take action against those indulging in adulteration. Government have requested the State Government/Union Territory Administrations to take steps to control adulteration.

- (ii) OMCs undertake regular and surprise inspections of Retail Outlets and also take action under Marketing Discipline Guidelines (MDG) and Dealership Agreements against those indulging in adulteration and malpractices. MDG provide for termination of dealership in cases of adulteration being established.
- (iii) Government has taken the initiatives to expedite the installation of Global Positioning System (GPS) to monitor the movement of tank trucks.
- (iv) OMCs have introduced new tamper proof tank-truck locking system to prevent en-route adulteration by transporters.
- (v) Keeping in view the misuse/diversion of SKO for adulteration, the import of SKO by private parties has been canalized through OMCs.
- (vi) As advised by the Government, Oil Marketing Companies (OMCs) have created a separate wing to report to a Director other than Director (Marketing), which will oversee and monitor all activities and operations to curb adulteration and specify norms and guidelines in this regard.

In order to check adulteration, the Government has recently taken a number of new initiatives which are enclosed as Statement.

***Statement***

*Steps taken to check adulteration of petrol/Diesel and streamlining PDS kerosene distribution*

Checking of adulteration is a continuous process and the Ministry of Petroleum & Natural Gas has been reviewing steps taken to curb adulteration from time to time. In the process, several technological and institutional measures have been taken recently to contain adulteration. The recent steps taken by the Ministry are summarized below:

1. Automation of Retail Outlets: In order to monitor the activities at retail outlets by adopting the latest technological improvements, automation of retail outlets is being implemented. MOP&NG has directed the oil marketing companies (OMCs) to complete automation of retail outlets selling more than 200 KL per month by March 2007.
2. Third Party Certification of Retail Outlets: OMCs have been directed to complete third party certification of all the retail outlets selling more than 100 KL per month by March 2007.
3. Monitoring of movement of Tank Trucks through Global Positioning System (GPS): In order to prevent adulteration during transportation, OMCs have been directed to install GPS to complete monitoring of the movement of all the company owned/ dealer owned/contractor owned tank trucks by March 2007.
4. Jan Kerosene Pariyojna: To streamline the PDS Kerosene distribution system and contain diversion of kerosene for adulteration and other unauthorized usages, Jan Kerosene Pariyojna (JKP) has been launched initially for 6 months on a pilot basis in 414 blocks with effect from 2.10.2005. The Pilot scheme has been extended upto 30.6.2007.
5. Smart Card Scheme: With the objective of ensuring that the benefit of the subsidy reaches the targeted consumers in an efficient and cost-effective manner and to prevent any leakages, this Ministry is considering introduction of Smart Card System for distribution of PDS kerosene. The scheme is proposed to be introduced initially on an experimental basis in three districts—Latur in Maharashtra, Nalanda in Bihar and Nainital in Uttaranchal in 2007. In the Pilot project, subsidized kerosene through Smart Card is proposed to be available to BPL families while all other ration card holders would be given non-subsidized kerosene. An independent agency will be engaged to monitor and evaluate the effectiveness of the Pilot. Oil Marketing Companies (OMCs) would ensure adequate availability of PDS as well as non-subsidized kerosene during the entire period of implementation of the Pilot.